



**STATE OF MAINE
PUBLIC UTILITIES COMMISSION
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04333-0018**

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July 22, 2003

Bruce Setler
First Selectman
Town of Franklin Water Department
P.O. Box 209
Franklin, ME 04634

RE: TOWN OF FRANKLIN WATER DEPARTMENT
Proposed Rate Change Pursuant to 35-A M.R.S.A. §6104
Docket No. 2003-359

Dear Mr. Setler:

On May 19, 2003, the Town of Franklin Water Department (Department) filed information with the Commission pursuant to 35-A M.R.S.A. § 6104. The filing proposed to increase operating revenues by \$21,240 or 45.96% over 2001 actual revenues. The public fire protection charges will be 30% of the total operating revenues as determined by Chapter 69 of the Commission's Rules.

The Department published notice of its public hearing in the June 5, 2003 edition of the Ellsworth American. The Department held a public hearing on the proposed rate changes at the Franklin Community Center on June 18, 2003. On June 30, 2003, the Department filed its Schedule of Rates consisting of Sheet 1, Second Revision; Sheet 2, Second Revision; and Sheet 3.

Section 6104(3) requires that the utility publish notice of the hearing in a newspaper of general circulation in the area, at least 14 days prior to the hearing, and specifies certain information that must be included in the notice. The Town of Franklin Water Department did publish a notice in the Ellsworth American, but failed to publish that notice 14 days prior to the date of the hearing. However, the individual notices to customers, mailed on June 4,

2003, complied with these requirements. Thus, the Department's attempt to change its rates under Section 6104 failed. The Department did satisfy all of the other requirements of Section 6104. The Commission processed the requested rate change pursuant to 35-A M.R.S.A. § 307 because of the procedural failure of the Section 6104 filing.

The Commission considered the Town of Franklin Water Department's proposed rate changes at its deliberations on July 21, 2003. Based upon the information presented and the absence of a petition or complaints from the Department's customers, the Commission decided that further investigation is unnecessary and that it will not suspend the operation of the proposed schedule. Accordingly, the Schedule of Rates, consisting of Sheet 1, Second Revision; Sheet 2, Second Revision; and Sheet 3, filed on June 30, 2003, will become effective by operation of law on July 30, 2003.

While we see no useful purpose in investigating this matter further, we remind the Town of Franklin Water Department that it must comply with all aspects of Maine law, including public notice requirements.

By allowing the schedule of rates to become effective by operation of law, the Commission does not explicitly or implicitly approve the proposed rate changes. A copy of the Schedule of Rates is attached for your reference.

Sincerely,

Dennis Keschl
Administrative Director

Enclosure
CC: Cathy Robinson